

DEPARTMENT OF WORKFORCE DEVELOPMENT

Division of Economic Support Bureau of Work Support Programs

TO: Economic Support Supervisors

Economic Support Lead Workers

Training Staff

Child Care Coordinators

W-2 Agencies

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Non W-2 [X] W-2 [] CC []

PRIORITY: High

SUBJECT: **NEW FOOD STAMP VEHICLE POLICY**

CROSS REFERENCE: Food Stamp Handbook, Vehicles Unit, Appendix 11.3.0 – 11.3.13

Operations Memos 99-09 & 00-43

EFFECTIVE DATE: July 1, 2001

PURPOSE

This Memo introduces a new policy for the treatment of vehicles in the Food Stamp Program (FSP) eligibility determination.

BACKGROUND

On October 28, 2000, President Clinton signed the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106-387); it includes several provisions affecting the FSP. One of the provisions of this act allows States to substitute their Temporary Assistance for Needy Families (TANF) vehicle rules for the Food Stamp (FS) vehicle rules where doing so would result in a lower attribution of resources to FS households.

Wisconsin will take advantage of this option to simplify by bringing FS policies in line with other programs wherever possible. This will lessen confusion for FS applicants, encourage program participation, and provide for the allowance of reliable transportation without jeopardizing food security. The Child Care Program (TANF) policy exempts all assets, including vehicles, in the eligibility determination for that program.

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Effective July 01,2001, FS applications and reviews will not include vehicles as assets in the eligibility determination.

CURRENT POLICY

Under current FS policy, verification of vehicle ownership and registration must be provided to eligibility workers at intake, review, and change. The worker evaluates the use of the vehicle and verifies its value. The vehicle is then determined to be exempt, subject to an excess fair market value test, and/or subject to an equity value test depending on its use.

NEW POLICY

Effective July 1, 2001:

- 1. All vehicles as identified in CARES table TMVT owned by any FS household member are exempt assets in the FS eligibility determination.
- 2. FS applications and reviews occurring on or after July 1, 2001 will not use vehicles as part of the asset eligibility test.
- 3. Changes in vehicle ownership will no longer be required to be reported by FS recipients.

CARES

CARES will be modified the evening of June 29 to exempt vehicles in the FS eligibility determination.

IMPLEMENTATION

APPLICATIONS PROCESSED IN JUNE

Applications processed in June for June and July will correctly be denied for both months if vehicle assets cause the household to exceed the asset eligibility limit. These applicants must reapply for FS on or after July 1 to have their vehicles disregarded in the FS eligibility determination.

APPLICATIONS PROCESSED IN JULY

Applications processed in July for June and July will be denied for June if vehicles values cause the household to exceed the asset eligibility limit, and will be eligible effective July 1 if the vehicle exemption allows them to pass the asset test for July. This is correct since federal regulations require that the new policy can apply only to FS households that are certified, or recertified on or after July 1, 2001.